Ontario

Enabling Ontario's Energy Future

Ontario Energy Board
2016-2019 Business Plan

Business Plan
January 2016

ENABLING ONTARIO'S ENERGY FUTURE

The Ontario Energy Board's 2016-2019 Business Plan continues the strategic direction established over the last few years to ensure that regulation of the energy sector is focused on delivering value to consumers and enabling regulated utilities to prepare for our energy future. The Plan builds on our 2015-2018 Business Plan and reflects the ongoing work of the OEB on priority initiatives that acknowledge overall public policy direction and address the transformation that is occurring in the energy sector.

In preparing our 2016-2019 Business Plan, the OEB has been mindful of the pace of change enabled by significant technological advancements which are affecting how energy is produced, transported and consumed. The OEB has also considered the importance of enhancing regulated utility performance and productivity to ensure that consumers receive value for their energy dollars. The Plan also reflects the increasing role of the OEB in protecting consumer interests more broadly as the energy sector continues to evolve, while continuing with measures to enhance regulatory effectiveness.

The OEB's work over the next three years will continue to focus on our four primary objectives as outlined in previous Plans:

- Empowering consumers;
- Enhancing utility performance;
- Enabling access to competitive energy choices; and
- Enhancing regulatory effectiveness.

ONTARIO ENERGY BOARD MANDATE AND VISION

The OEB's Mandate

The Ontario Energy Board oversees the Province's electricity and natural gas sectors through effective, fair and transparent regulation and in accordance with the objectives set out in the governing statutory framework. That mandate is determined by the provincial government and is embodied in legislation, regulation and directives. The OEB's mission is to promote a viable, sustainable and efficient energy sector that serves the public interest and assists consumers to obtain reliable energy services that are cost effective.

The OEB has regulated the natural gas sector since 1960 and the electricity sector since 1999. Our work includes:

- Setting gas and electricity rates and prices;
- Monitoring the financial and operating performance of natural gas and electrical utilities;
- Providing consumers with the information they need to better understand energy matters;
- Protecting energy consumers' interests; and
- Developing regulatory policy to meet emerging energy trends and challenges.

The OEB's Vision

- The OEB regulates the electricity and natural gas sectors in a manner that focuses on outcomes that are valued by consumers.
- Energy consumers have the information they need to understand the value they receive for their expenditures on energy and to make choices regarding their own use of energy.
- Under the OEB's regulatory framework, distributors, transmitters and other regulated entities invest and operate in a manner that increases efficiency and encourages innovation, and that provides consumers with a reliable energy supply at a reasonable cost.
- The OEB's own processes are efficient and effective and are understood by and accessible to all persons.

ENABLING ONTARIO'S ENERGY FUTURE

Empowering Consumers

Over the last several years, the OEB has adopted a much more consumer centric approach to regulation. This new approach is aimed at enhancing the level of energy literacy among consumers by equipping them with the tools and information they need to make informed choices about energy matters. Consumer centric regulation also means providing a meaningful opportunity for consumers to participate in, and influence decisions that impact them. The OEB has already taken significant steps to improve the accessibility of our adjudicative processes to consumers, and to reach out to consumers in the development of regulatory policy that directly impacts them.

In this planning period, the OEB will leverage its newly established Consumer Panel to engage more directly with consumers early on in order to implement regulation that not only reflects the evolution of the energy sector and considers the broader public interest, but that also delivers outcomes that are meaningful to those who pay the bill.

We will also look for opportunities to further enhance accessibility to the adjudicative process for the average residential and small business consumer by implementing enhanced consumer representation tools and processes, including community meetings and other approaches identified in our recently completed review of best practices in consumer representation models.

Finally, we will continue our commitment to improving energy literacy by enhancing the tools and information the OEB makes available to consumers to better understand their energy choices and the performance of their gas and electric utilities.

Empowering Consumers			
Priority Actions	**2016**	**2017**	**2018**
Consumer Outreach Effective community outreach and engagement, supported by a new Public Affairs function, to enhance the quality, quantity and accessibility of resources available to energy consumers. Engage Consumer Panel as an additional resource to access public input, test engagement products and regulatory policy direction.	✓	✓	✓

Empowering Consumers			
Priority Actions	**2016**	**2017**	**2018**
Consumer Representation in Decision Making Operationalize new consumer representation model to ensure effective and transparent consumer representation in OEB proceedings.	✓	✓	✓
Enhance accessibility to the adjudicative process for residential and low volume consumers by taking OEB hearings to the communities impacted by the application and providing enhanced opportunities to participate.	✓	✓	✓
Consumer Protection Develop a Consumer Charter / Consumer Bill of Rights.	✓	✓	
Consider approaches to enhancing the OEB's oversight capacity to better respond to and "advocate" for consumers.	✓	✓	
Energy Consumer Protection Act (Ministerial Request) Complete review of the Energy Consumer Protection Act and implement approved measures, as appropriate.	✓		
Ontario Energy Support Program (Ministerial Request) Implement Ontario Energy Support Program (OESP) to provide ongoing rate relief for low income consumers.	✓	✓	
Conduct ongoing evaluation and maintenance of the program as required.			

Enhancing Utility Performance

One of the OEB's primary objectives is to ensure that utilities are delivering cost effective, reliable and responsive services to consumers. Creating an environment that supports utility financial integrity and enhances operational performance is essential to realizing that objective.

The OEB's Renewed Regulatory Framework, implemented in 2012, elevates utility performance by focusing on cost control and operational excellence in meeting customer needs. Utilities are held accountable for their performance to their customers through visible monitoring, quantifiable reporting and benchmarking.

The Renewed Regulatory Framework recognizes that infrastructure spending is the main driver of increasing costs in the energy sector, while being essential to long term reliability for consumers. The RRFE encourages investment planning and decision making that is cost effective and forward looking. The OEB also recognizes that efficiencies and operational enhancements for consumers can come from large scale well financed utilities able to meet the challenges of a quickly evolving energy sector.

In this planning period, the OEB will continue with initiatives designed to enable utilities to undertake better planning, optimize investment decisions, and prioritize and pace expenditures to better manage impacts on consumers. We will also look to ensure that regulatory policies encourage innovation, support consolidation and appropriately reflect changing utility business risks.

Enhancing Utility Performance			
Priority Actions	**2016**	**2017**	**2018**
Good Governance Develop guidance for regulated utilities on best practices in corporate governance to encourage governance which protects consumers and enhances consumer and investor confidence in regulated entities.	✓		
Optimal Investment Decisions Review rate setting policies in support of infrastructure planning and investment decisions with a view to improving incentives for optimal decision making.	✓	✓	✓
Gas Supply Planning Complete a review of gas supply planning by gas utilities and any other matters stemming from the annual Natural Gas Market, including review of the gas Quarterly Rate Adjustment Mechanism (QRAM) to ensure that utilities are meeting customer needs in an optimal manner.	✓	✓	
Performance Monitoring Framework Establish effective reporting frameworks and enhanced auditing and benchmarking mechanisms and capacity to undertake business analytics to assist the OEB in enhancing utility performance.	✓	✓	✓

Enabling Access to Competitive Energy Choices

The OEB recognizes the fundamental changes occurring within the energy sector enabled by significant technological advancements in the way energy is produced, transported and consumed. Very real changes are emerging in our energy markets and the way in which consumers engage with them. The OEB will need to ensure that its regulatory policies and processes are reflective of this evolution while continuing to reflect its public interest and consumer protection mandates.

While much of our recent focus has been on electricity, we also recognize the transformative change occurring in Ontario's natural gas sector, enabled by new technologies unlocking new sources of supply and facilitating greater integration of gas and electric markets. The 2013 Long-Term Energy Plan (LTEP) recognizes the importance of providing access to fuel choices and calls on the OEB to examine opportunities to facilitate access to natural gas in more remote communities. The OEB has already started examining regulatory policy issues to inform and facilitate the processing of gas expansion applications.

Recently announced government policies to regulate carbon emissions are also expected to have a profound impact on natural gas utilities and will require a well thought out regulatory framework. The OEB is now proceeding with the development of a regulatory framework to address rate making issues arising from Ontario's Cap and Trade program, which is currently expected to commence in 2017.

The OEB's recent review of the Regulated Price Plan released in November of 2015 identified a number of opportunities to enhance consumer literacy, provide consumer choice, and improve consumer responsiveness to the Ontario government's Conservation First policy by implementing smarter delivery rates. The OEB has started working with electricity distributors to develop several pricing and non-price pilots to assess possible changes to the Regulated Price Plan in support of this objective.

In the 2013 LTEP, the government also signalled that it would be looking at enhancing the opportunity for net metering in Ontario and work is currently underway to develop a new net metering program. As the OEB continues its work developing smarter delivery rates, we will also take into consideration the potential benefits of net metering for distribution networks.

Significant technological advancements in the sector are having an impact on distribution networks in many ways. Distributed energy resources integrated by a smarter grid require increased digital communications and information technology which introduce cyber-security risks related to privacy of consumer information and grid system security. Increased focus on utility preparedness and adoption of

cyber-security will be needed to support the development of a robust smarter grid, while maintaining an appropriate level of consumer protection.

In this planning period, the OEB will continue to evolve our regulatory policies to keep pace with the evolution of the energy sector. We will focus on improving rate design that will provide greater customer choice, support Conservation First and other public policy directions, and enable greater access to energy options for all consumers. We will also increase our oversight of cyber-security readiness.

Enabling Access to Competitive Energy Choices			
Priority Actions	**2016**	**2017**	**2018**
Smarter Electricity Delivery Rates Complete and implement changes in distribution rates for residential electricity customers to support the efficient use of electricity infrastructure, and formulate and assess options for changes to rate design for non-residential electricity customers.	✓	✓	✓
Cyber-Security Further develop a risk-based cyber-security regulatory framework for OEB oversight of electricity distributor protection of consumer data and distribution network security.	✓	✓	
Smarter Electricity Prices Develop a revised methodology for the Regulated Price Plan and implement as approved. Include an assessment of options for a more efficient allocation of supply costs under the Global Adjustment to encourage conservation by providing understandable price signals to customers.	✓	✓	✓
Gas Demand-side Management Framework Evaluation Continue to evolve the framework through studies including achievable potential for natural gas savings in Ontario and the use of demand-side management to defer infrastructure investments. Evaluate the performance of the framework by June 1, 2018.	✓	✓	✓
Cap and Trade Develop and implement the necessary regulatory framework to address rate making issues arising from the cap and trade program	✓	✓	✓

Enabling Access to Competitive Energy Choices			
Priority Actions	**2016**	**2017**	**2018**
Evolving Energy Sector Complete a review of the evolution of Ontario's energy services market, identify emerging trends and their implications for prices, services, infrastructure utilization, and regulated businesses in Ontario. Address any regulatory barriers that limit ability of valued energy services to compete in Ontario.	✓	✓	✓

Regulatory Effectiveness

The OEB has adopted a continuous improvement philosophy when it comes to regulating the energy sector. That philosophy extends to the OEB's own work in adjudication and regulatory policy development.

The OEB has done much work over the last several years to evolve its regulatory processes to ensure that they are accessible, proportional, and objective and deliver outcomes that are in the public interest. In 2014, the OEB established a Registrar function to provide greater consistency in the up-front decision-making for applications to ensure effective notification to consumers on matters before the OEB and to enhance the timely processing of applications.

Building on this success, the OEB has undertaken a comprehensive review of its adjudicative model and identified best practices that can be applied to improve efficiency while enhancing effectiveness of our processes. In keeping with our focus on enhancing utility performance and accountability, we are also considering how the development of more proportional processes could be used as a tool to incent better utility performance and improved outcomes for utility customers.

In 2011, the OEB implemented a policy evaluation framework. The intent of this framework was to ensure that the OEB systematically review its policies on an ongoing basis to assess whether the objectives have been met and to support the continued evolution of those policies with the evolution of the energy sector and customer expectations. Now that the framework has been in place for several years it is time to consider its effectiveness in guiding the OEB's work.

In this planning period, we will continue to evolve our adjudicative model and our policy evaluation frameworks to ensure that they allow the OEB to effectively discharge its public interest mandate while meeting the needs of stakeholders and consumers impacted by our decisions.

Improving Regulation			
Priority Actions	**2016**	**2017**	**2018**
Stakeholder Engagement Framework Implement stakeholder engagement framework including annual executive energy forums, Chair's Advisory Roundtable, and Regulatory and Industry Affairs Standing Committees.	✓	✓	✓
Adjudicative Process Having successfully implemented a Registrar function in FY2014, the OEB will seek opportunities to further improve the efficiency and effectiveness of its adjudicative processes.	✓	✓	✓
Policy Evaluation Framework Refine the policy evaluation framework developed in 2011 to establish an ongoing function and implement systematic policy evaluation to ensure ongoing effectiveness of regulatory policies and programs.	✓	✓	

Budget
(Section 26 and 12.1 only)

Units in thousand dollars	2016-17	2017-18	2018-19
Revenues:			
General cost recovery (expenses less revenue)	38,013	39,025	39,315
Licence fees (S.12.1)	373	373	373
Investment income	111	111	111
Miscellaneous income	5	5	5
Amortization of def. revenue related to cap. assets	941	1,384	1,482
Total Revenue	**39,443**	**40,898**	**41,286**
Expenses:			
Salaries & benefits	29,445	30,325	31,062
Consulting & professional	3,274	3,000	2,249
Meetings, training & travel	971	962	962
Publications, media & publishing	453	816	1,057
Premises	3,047	3,119	3,132
Information technology	856	836	886
Office, administration & other	456	456	456
Amortization	941	1,384	1,482
Total Expenses	**39,443**	**40,898**	**41,286**
Leasehold improvements	150	100	13
Office furniture and equipment	200	200	12
Computer equipment and software	1,469	675	660
Audio Visual Equipment	168	-	-
Total Capital Expenditures	**1,987**	**975**	**685**
Total Expenses & Capital Expenditures	**41,430**	**41,873**	**41,971**
Operating Reserve Adjustment	**0**	**0**	**0**
Total Assessment	**40,000**	**40,000**	**40,000**

Financial Assumptions

The 2016-19 budget follows the 2015-18 budget plan which reflects the OEB's response to government policy and legislative changes. The 2016-19 budget accommodates the expanded mandate of the OEB including associated program/policy development and implementation costs.

Due to the OEB's self-financing status, the OEB established an operating reserve, which is adjusted on annual basis. The operating reserve is used for cash flow management and to support working capital requirements as the OEB has, aside from its cost assessments, no access to credit or other means of financing its ongoing operations. The operating reserve is 16.3% during the planning period.

Section 30 costs are not included in the budget above. Section 30 costs represent costs incurred in relation to specific proceedings or consultation processes. The Section 30 budget is $7.2M for 2016-17, $6.5M for 2017-18 and $6.4M for 2018-19.

Revenue from administrative penalties assessed against individual market participants under s.112.5 of the OEB Act, 1998 cannot be used to reduce the costs assessed under the OEB's Cost Assessment Model. These funds are internally restricted to support activities relating to consumer education, outreach and other activities in the public interest.

A blended interest rate of 1.2% has been assumed to generate interest revenue on the operating reserve. No inflation has been assumed for non-compensation expenses and expenditures in the 2016 through 2019 period.

Overall the budget during this planning period (2016-2019) reflects the OEB's expanded mandate as reference above. The total assessment is the sum of capital and operating expenses plus the adjustment for the operating reserve less licence fees, investment, miscellaneous income and amortization.

Human Resources Assumptions

Staff headcount over the planning period (2016- 2019) is budgeted at 178 positions. The Board has also budgeted for 13 Board Members.

The current four year Collective Agreement with the Society of Energy Professionals expires on March 31, 2019. The salary, benefits and total compensation budget for bargaining unit employees is based on the current terms of the collective agreement.

The salary, benefits and total compensation budget for non-bargaining unit employees is based on projected market conditions.

Incentive pay for eligible bargaining and non-bargaining unit staff, including the full-time appointees, has been budgeted for the period 2016-19.

Information Technology Assumptions

A rolling three year I&IT Plan has been developed to support the ongoing operations of the OEB and to align strategic projects and investments to the major strategic initiatives contained in each of the three years of the 2016-19 Business Plan.

Budget Comparison
Between the 2015-16 Budget and Forecast
(8 months actuals + 4 months forecast)

Units in thousand dollars	8 +4 Forecast	Budget	Forecast Variance to Budget	
Revenues:			$	%
General cost recovery (expenses less revenue)	33,444	34,472	(1,028)	(3%)
Licence fees (s.12.1)	373	367	6	2%
Investment income	120	130	(10)	(8%)
Miscellaneous income	10	10	0	0%
Amortization of def. revenue related to cap. assets	795	864	(69)	(8%)
Total Revenue	**34,742**	**35,843**	**(1,101)**	**(3%)**
Expenses:				
Salaries & benefits	25,884	26,791	(907)	(3%)
Consulting & professional	2,905	2,518	387	15%
Meetings, training & travel	701	621	80	13%
Publications, media & publishing	406	884	(478)	(54%)
Premises	2,807	2,935	(128)	(4%)
Information technology	812	837	(25)	(3%)
Office, administration & other	432	393	39	10%
Amortization	795	864	(69)	(8%)
Total Expenses	**34,742**	**35,843**	**(1,101)**	**(3%)**
Leasehold improvements	0	263	(263)	(100%)
Office furniture and equipment	0	213	(213)	(100%)
Computer equipment and software	1,172	827	345	42%
Total Capital Expenditures	**1,172**	**1,302**	**(130)**	**(10%)**
Total Expenses & Capital Expenditures	**35,914**	**37,145**	**(1,231)**	**(3%)**
Operating Reserve Adjustment	**1,504**	**346**	**1,158**	**335%**
Total Assessment	**36,120**	**36,120**	**0**	**0%**

Budget Comparison
Between the 2014-15 Actuals and Budget spending

Units in thousand dollars	Actual	Budget	Variance to Budget	
Revenues:			$	%
General cost recovery (expenses less revenue)	31,066	33,166	(2,100)	(6%)
Licence fees (S.12.1)	362	344	18	5%
Investment income	127	162	(35)	(22%)
Miscellaneous income	9	10	(1)	(10%)
Amortization of def. revenue related to cap. assets	931	891	40	4%
Total Revenue	**32,495**	**34,573**	**(2,078)**	**(6%)**
Expenses:				
Salaries & benefits	25,073	26,985	(1,912)	(7%)
Consulting & professional	1,947	1,861	86	5%
Meetings, training & travel	334	547	(213)	(39%)
Publications, media & publishing	370	538	(168)	(31%)
Premises	2,606	2,692	(86)	(3%)
Information technology	791	584	207	35%
Office, administration & other	443	475	(32)	(7%)
Amortization	931	891	40	4%
Total Expenses	**32,495**	**34,573**	**(2,078)**	**(6%)**
Leasehold improvements	28	13	15	115%
Office furniture and equipment	0	12	(12)	(100%)
Computer equipment and software	673	275	398	145%
Total Capital Expenditures	**701**	**300**	**401**	**134%**
Total Expenses & Capital Expenditures	**33,196**	**34,873**	**(1,677)**	**(5%)**
Operating Reserve Adjustment	**1,673**	**1**	**1,672**	**>100%**
Total Assessment	**33,440**	**33,466**	**(26)**	**(0%)**

The OEB's total assessment in 2014-15 was underspent by $26 thousand. This was due to efficiency savings being found across all expense areas. In accordance with the OEB's cost assessment model, the surplus was returned to the payor classes in the manner and proportion that those organizations were assessed costs.

RISK ASSESSMENT AND MITIGATION

Risks are events that could prevent an organization from meeting its objectives. Risks are both internal and external to an organization. Once specific risks are identified management determines the appropriate means of mitigating either the probability of the risk occurring or its impact on the organization. The OEB has made a comprehensive assessment of risk and continues to implement control procedures to minimize risk. Even so, there is residual risk which the OEB monitors for the potential impact on the organization.

The OEB formal risk assessment involves:

1. confirming existing and identifying new or emerging inherent risks relative to key business objectives;
2. assessing these risks and their implications;
3. determining risk response or mitigation strategies; and
4. implementing risk mitigation internal controls, and monitors their effectiveness and the residual risk to the organization.

In conducting the risk assessment, risks are evaluated on a color scale with green a low risk, yellow a slightly higher risk, orange a high risk and red the highest risk to the organization. These assessments are for the residual risk. That is once controls are in place and operational, there remains some risk that is not able to be controlled. The risk categories, control mechanisms and residual risk are as follow:

#	Risk Category	Risk Definitions	Existing Controls to Mitigate Risk	Residual Risk
1	Strategy Development & Implementation	Board or particular business area make inappropriate strategic choices or will be unable to successfully implement selected strategies, tactics and decisions.	Review, approval, monitoring and reporting on 3-year Business Plan. Also internal consultations with Board members and staff to ensure appropriate policy development and implementation.	
2	Stakeholder and Consumer Engagement	Sufficient processes and procedures are not in place to facilitate compilation of stakeholder input (consumers, distributors, generators, transmitters and others with an interest in the Board) in relation to Board priorities, regulatory calendars, performance standards and consumer protection.	Stakeholder Survey, Advisory Roundtable, and other meetings to facilitate input to Board processes.	

#	Risk Category	Risk Definitions	Existing Controls to Mitigate Risk	Residual Risk
3	Applications Administration	Procedures to administer applications (for distribution and transmission rates, licences, facility asset construction, franchise approvals and approvals of mergers, amalgamations, or acquisitions and divestitures) are not consistently applied; do not achieve fairness; or do not remain free from conflicts of interests with market participants and regulated entities.	Stakeholder Survey to monitor effectiveness, plus internal procedures to formalize implementation (e.g. the case manager's manual, template notice, etc.).	
4	Hearings & Adjudication (Decision Quality)	Failure to properly administer hearings, adjudication proceedings and case administration procedures and policies (decision quality risk).	Training for Board members plus legal review of decisions.	
5	Market Dynamics	Economic and technological conditions in provincial, national and international markets change the focus and operation of the electricity and natural gas sectors.	Stakeholder meetings and energy sector-focused continuing education.	
6	Government Policy	Government policy developments that introduce significant and fundamental changes to the OEB's regulatory mandate and/or electricity/gas sectors require significant changes to the Board's goals and objectives and activities pertaining to consumer protection and retailer, marketer and energy infrastructure oversight.	Internal Review and Assessment of New Legislation along with ongoing liaison with government ministries and agencies.	
7	Employee Recruitment & Retention	Inability to attract and retain qualified individuals to meet the Board's needs and objectives.	Employee hiring procedures, engagement surveys and performance management framework.	
8	Labour Relations	Labour relations instability stemming from collective agreement negotiations and ongoing administration.	Periodic Union-Management Meetings (venue to discuss/address emerging issues).	
9	Accountabilities & Empowerment	Staff are not afforded the appropriate degree of empowerment through defined accountability and decision making structures; inhibiting their ability to effectively manage operations and achieve strategic objectives.	Job descriptions, internal communications, organizational structure and performance assessments.	
10	IT Governance, Strategy & Budgeting	IT governance, strategy and organizational budgeting is not fully integrated, as a result IT systems may not meet business needs.	Annual Business Planning (integration with Budget Planning).	
11	IT Operations	Board information and data management processes and procedures fail to ensure the reliability, accuracy, integrity, confidentiality and quality of organizational	Hardware, software and manual procedures in place to continually monitor the state of the IT services and databases.	
12	Financial Administration	Financial budgeting is not aligned to the strategic plan along with metrics to ensure successful plan outcomes. Internal controls are insufficient to maintain the integrity of the administration of funds.	Annual budget process, segregation of duties and monthly, quarterly and annual financial reporting.	
13	Government Fiscal Restraint	Risk that government's fiscal restraint policies negatively impact resources available to the Board and the Board's longer term budget planning.	Annual budgeting process, and as necessary intra-year restraint policies.	
14	Facilities Administration	Potential financial loss that may arise from failure to adequately and appropriately insure the Board's facilities risks.	Periodic Insurance Review (every two years).	
15	Corporate Governance	Required or expected governance process (governance structures and mandates) are not identified, mandated and effectively executed to provide appropriate oversight of the Board.	Management Committee oversight, and government oversight through the Memorandum of Understanding and Related Reporting.	
16	Business Continuity	OEB does not have a fully tested and integrated business continuity plan in the event of a major interruption to OEB's operations, business processes, facilities and human resources, stemming from catastrophic, natural or man-made disasters.	Emergency Response and Business Continuity Plan.	

#	Risk Category	Risk Definitions	Existing Controls to Mitigate Risk	Residual Risk
17	Regulatory & Legislative Compliance	Board fails to maintain compliance with relevant federal, provincial and municipal legislation, regulations, standards, codes and government directives.	Quarterly and annual reporting of compliance with legislation, regulations and directives.	

The highest residual risk is changes in government policy. One of the primary factors that could affect the achievement of our Business Plan is changes in provincial government policy. Further policy developments by the government, particularly policies that introduce significant change, could require subsequent changes to the OEB's goals and objectives.

Ongoing risk-mitigation activities include the internal review and assessment of new legislation and regular liaison with both the Ministry of Energy and other government agencies.

In addition, the OEB constantly monitors market conditions for changes that might affect policy development. Periodic sector reviews provide an in-depth check on the understanding the market structure. The OEB also continually monitors its fiscal performance to ensure that it is meeting the constraints associated with its budget and expenditures.

Background
In an industry undergoing continuous change and innovation amid rising rates, the Ontario Energy Board (the Board) remains steadfast in its mission to deliver value to customers and advance its mandate in consumer protection.

The Board's 2016-2019 Business Plan continues on these themes by concentrating on empowering consumers, enabling access to competitive energy choices, advancing utility performance expectations and improving the effectiveness of the OEB.

The refreshed three-year business plan demonstrates that the OEB is committed to:

- Regulating the sector in a manner that focuses on outcomes that are valued by consumers: cost, transparency, fairness and reliability.
- Deepening its understanding of consumer perspectives through continued engagement.
- Enabling improved energy literacy and the tools consumers need to make informed energy choices.
- Continued efforts to protect consumers in particular those who are vulnerable and who are underserved.
- Removing regulatory barriers, and adapting, to sector innovation and expanding consumer access to new technologies
- Raising performance expectations of utilities as they operate with greater rigour and discipline in response to changing customer expectations.
- Deliver on its policy mandate as determined by the provincial government, including Conservation First and the new Cap and Trade program.

Target Audiences

Communication of the 2016-2019 Business Plan is directed toward the following audiences:

Internal audiences:

- Board members
- Employees

External audiences:

- Consumers
- Minister of Energy and ministry staff
- Entities that the Board directly regulates and/or licenses
- Other public agencies in the energy sector
- Industry associations
- Intervenors
- Consumer advocates and social agencies
- Media

Communications Objectives

1. Raise awareness among all audiences of the OEBs strategic focus for the coming three years.
2. Leverage the business plan to demonstrate OEB leadership in protecting the public interest.
3. Communicate achievements of the previous business plan to demonstrate progress in the context of the longer term strategy.
4. For employees, use the business plan as a spring board for increased interactions among Board members, leadership and staff.

Key Messages

- Consumers: The Board will endeavor to meet the needs and expectation of consumers by focusing on outcomes that they value.
- Industry: The Board will endeavor to ensure that the pace at which investment in the sector proceeds has particular regard for the impact on consumers and takes innovation into account.

- Public Policy: The Board will carry out the particular responsibilities assigned to it by legislation, regulation and directive in a constructive and effective manner.
- Organization: The Board will endeavor to ensure that its processes are efficient, understood and accessible to both industry and consumers.
- Innovation: The Board will continue to engage directly with consumers to implement improved regulation and facilitate sector transformation.

Plan Launch

- Subject to approval by the Minister, the Board will publish its final Business Plan and budget on its website and notify stakeholders that it is publicly available.
- The plan will be published as a web page on the Board's website to increase accessibility.

Post-launch

Once the plan has been launched, the Board will seek opportunities to convey the business plan objectives to key internal and external stakeholder groups including key groups representing residential and small business consumers.